

LCB File No. R036-00

**PROPOSED REGULATION OF THE
REAL ESTATE DIVISION**

**NOTICE OF WORKSHOP
TO SOLICIT COMMENTS ON
PROPOSED REGULATIONS
RED # R001001**

The Nevada Real Estate Division of the Department of Business & Industry of the State of Nevada is proposing the Adoption and/or Amendment of regulations pertaining to **Chapter 645C of the Nevada Administrative Code**. A workshop has been set for the following dates, times and locations:

Carson City, Nevada

Thursday, March 2, 2000

1:00 p.m. to 4:00 p.m.

Office of the Attorney General

100 North Carson Street

Mock Courtroom

Carson City, Nevada

The purpose of the workshop is to receive comments from all interested persons regarding the adoption of regulations that pertain to **Chapter 645C of the Nevada Administrative Code**. The following general topics may be addressed in the proposed regulations:

- Adding required instruction for an intern registration;
- Adding required continuing education for a registered intern;
- Amending the amount of hours required to fulfill the 2 years of experience required of an applicant for an appraisers license;
- Amending the minimum amount of hours for the examination for a license or certificate as an appraiser;
- Amending the required amount of hours of instruction in the classroom for a residential appraiser from 75 to 90;
- Amending the required amount of hours of instruction in the classroom for a general appraiser from 165 to 180; and
- Adding the provision that the division may accept written anonymous complaints.

A copy of all materials relating to the proposed regulations may be obtained at the **workshop** or by contacting the Real Estate Division at:

2501 E. Sahara Avenue, Room 100
Las Vegas, NV 89104-4137
(702) 486-4033, x. 222

TAMI DEVRIES

788 Fairview Drive, Suite 200
Carson City, NV 89701-5453
(702) 687-4280.

AMENDED
NOTICE OF INTENT TO ACT UPON A REGULATION

**NOTICE OF HEARING FOR THE ADOPTION, AMENDMENT AND
REPEAL OF REGULATIONS OF THE
NEVADA REAL ESTATE DIVISION
RED # R00-10-01**

The Nevada Real Estate Division of the Department of Business & Industry of the State of Nevada (the "Division") will hold a public hearing at 8:30 A.M. on 9th of MARCH, 2000, at the BRADLEY BUILDING, 2501 E. SAHARA AVENUE, 2ND FLOOR CONFERENCE ROOM, LAS VEGAS, Nevada. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to chapter 645C of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.060:

Information Regarding Adoption

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Information about Proposed Regulations

1. Purpose and need of the Proposed Regulations. The Division is the agency, which administers the licensing, education and compliance program under NRS. The purpose of the regulations is to define and clarify the rights and responsibilities of persons licensed under this chapter.
2. Terms of the proposed regulations. The regulations to be adopted are stated as follows:

Authority: NRS 645C

Note: Matter italicized and bold is new; matter in brackets **[]** is material to be omitted.

Section 1. Chapter 645C of NAC is hereby amended by adding thereto section(s) 2 - 3 of these proposed regulations.

Sec. 2 *Required instruction: registration for an intern registration.*

1. On or after (DATE OF ADOPTION), a course of instruction, in order to comply with the requirements of the Appraiser Qualifications Board of The Appraisal Foundation, an application for an intern registration, must consist of at least 75 hours of instruction in the classroom, including instruction in the following subjects:

- (a) Factors that influence the value of real estate;*
- (b) Legal considerations of appraisals;*
- (c) Types of value;*
- (d) Economic principles;*
- (e) The real estate market and its analysis;*
- (f) The process of valuation;*
- (g) Description of real estate;*
- (h) Analysis of the highest and best use of real estate;*
- (i) Mathematics and statistics related to appraisals;*
- (j) Analysis of value by sales comparison;*
- (k) Analysis of value by cost;*
- (l) Analysis of value by income;*
- (m) The valuation of a site;*
- (n) The valuation of partial interests;*
- (o) Standards and ethics relating to appraisals; and*
- (p) Other subjects relating to appraisals.*

Sec. 3 *Continuing education*

An intern registered with the Division who remains in this classification in excess of two years shall be required to complete 30 hours of continuing education in courses approved by the commission as a condition to the renewal of the intern registration.

Sec. 4 NAC 645C.065(2) is hereby amended to read as follows:

2. For the purpose of subsection 2 of NRS 645C.330, “at least 2 years of experience working full time” means experience gained as an appraiser or while in the employment of a licensed or certified appraiser as an intern for at least ~~2,400~~ 2,500 hours during a period not less than 2 years before applying for a certificate. An applicant shall not apply for a certificate until at least 2 years after he commenced working as an appraiser or intern. The applicant need not have worked exclusively as an appraiser or intern during the period of employment and need not have worked an specific minimum number of hours in the workday. Not less than 500 hours of those ~~2,400~~ 2,500 hours must relate to the appraisal of real estate suitable for or consisting of no more than four residential units in any one transaction, without regard to value or complexity.

Sec. 5 NAC 645C.085 is hereby amended to read as follows:

Examinations: Length; disclosure.

1. The examination for a license or certificate as an appraiser will be at least ~~4~~ 3 hours, but not more than 8 hours. The times may be different for the examination for certification of general appraisers, licensure of residential appraiser and certification of residential appraiser. The division shall establish the time for each examination and notify the applicant before the

closing day for applications. Test books and answer sheets will not be returned to the applicants.

2. Examinations must not be made public except as otherwise provided by statute or regulation.

Sec. 6 NAC 645C.235(2) is hereby amended to read as follows:

Required instruction: Licensure as a residential appraiser.

2. On or after January 1, 1991, a course of instruction, in order to comply with the requirements of Paragraph (a) of subsection 1 of NRS 645C.330 for an applicant for a license as a residential appraiser, must consist of at least ~~75~~ 90 hours of instruction in the classroom, including instruction in the following subjects:

- (a) Factors that influence the value of real estate;
- (b) Legal considerations of appraisals;
- (c) Types of value;
- (d) Economic principles;
- (e) The real estate market and its analysis;
- (f) The process of valuation;
- (g) Description of real estate;
- (h) Analysis of the highest and best use of real estate;
- (i) Mathematics and statistics related to appraisals;
- (j) Analysis of value by sales comparison;
- (k) Analysis of value by cost;
- (l) Analysis of value by income;
- (m) The valuation of a site;
- (n) The valuation of partial interests;
- (o) Standards and ethics relating to appraisals; and
- (p) Other subjects relating to appraisals.

Sec. 7 645C.240(2) is hereby amended to read as follows:

Required instruction: Licensure as a general appraiser.

2. On or after January 1, 1991, a course of instruction, in order to comply with the requirements of Paragraph (a) of subsection 3 of NRS 645C.330 for an applicant for a license as a general appraiser, must consist of at least ~~165~~ 180 hours of instruction in the classroom, including instruction in the following subjects:

- (a) Factors that influence the value of real estate;
- (b) Legal considerations of appraisals;
- (c) Types of value;
- (d) Economic principles;
- (e) The real estate market and its analysis;
- (f) The process of valuation;
- (g) Description of real estate;

- (h) Analysis of the highest and best use of real estate;
- (i) Mathematics and statistics related to appraisals;
- (j) Analysis of value by sales comparison;
- (k) Analysis of value by cost;
- (l) Analysis of value by income;
- (m) The valuation of a site;
- (n) The valuation of partial interests;
- (o) Standards and ethics relating to appraisals;
- (p) The laws of this state governing appraisals; and
- (q) Other subjects relating to appraisals.

Sec. 8 NAC 645C.445 is hereby amended to read as follows:

Complaints.

1. The division shall prepare and require a standard form or affidavit for use in making a citizen's complaint. This form may require any information the division considers pertinent.
2. If a citizen's complaint is made, the division shall investigate any action which appears to violate a provision of this chapter 119, 119A, 645, ~~645A~~, 645D or 645C or NRS of the regulations adopted pursuant thereto and need not be limited to the matter in the complaint.

3. The division may accept written anonymous complaints, and if provided sufficient information, shall investigate any action which appears to violate a provision of chapter 119, 119A, 645, 645D or 645C or NRS of the regulations adopted pursuant thereto and need not be limited to the matter in the complaint.

~~3.~~ 4. An appraiser or intern shall disclose all facts and documents pertinent to an investigation to members of the division's staff conducting the investigation.

~~4.~~ 5. If the division determines that sufficient evidence exists to establish a violation, it will prepare and file a formal complaint with the commission. If insufficient evidence exists, the division may dismiss the matter without prejudice at any time.

3. Estimated Economic Effect The estimated economic effect of these amendments to the appraisal professional are nominal – an intern will have to pay to obtain education prior to applying for an intern registration rather than over a two year period. An intern would also be required to pay for continuing education should they renew the registration card rather than applying for licensure.

4. Estimated Cost to the Agency. The Real Estate division does not anticipate any change in the costs for administering the program after adoption of the proposed regulation changes.

5. Duplication with other Agencies: The Real Estate Division anticipates no duplication or overlapping with other regulations.

6. Federal Law. The proposed changes are necessary to comply with Title XI of the Financial Institutions Recovery, Reform, and Enforcement Act of 1989.

7. Federal Regulation. Under Title XI, the proposed changes are necessary to comply with The Appraisal Foundation, Appraiser Qualification Board, and Real Property Appraiser Qualifications Criteria. Compliance assures appraisers in Nevada qualify to perform appraisals for Federally related transactions.

8. New Fee Established. No new fees.

Comments and Written Submissions

Persons wishing to comment on the proposed action of the Division may appear at the scheduled public hearings or may address their comments, data, views or arguments, in written form to:

**Nevada Real Estate Division
Bradley Building
2501 E. Sahara Avenue, Room 100
Las Vegas, NV 89104-4137
Attn: Tami DeVries, Legal Administrative Officer**

Written submissions must be received by the Division by MARCH 1, 2000. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

Copies of Proposed Regulation

A copy of this notice and the proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation will be available at the following Division offices:

Nevada Real Estate Division
788 Fairview Drive Suite 200
Carson City, NV 89701

Nevada Real Estate Division
Bradley Building
2501 East Sahara, Suite 100
Las Vegas, NV 89104-4137

and in all counties in which an office of the Division is not maintained, at the main public library, for inspection and copying by members of the public during business hours. The text of each regulation will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at <http://www.leg.state.nv.us>. Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the

principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

Posting

This notice of hearing has been posted at the following locations:

Nevada Real Estate Division
1665 Hot Spring Road
Carson City, NV 89710

Nevada Real Estate Division
Bradley Building
2501 East Sahara, Suite 202
Las Vegas, NV 89104-4137

Elko Conference Center
700 Moren Way (Silver Room)
Elko, Nevada

State Library
100 Stewart Street
Carson City, Nevada

Churchill County Library
553 South Maine Street
Fallon, Nevada 89406

Douglas County Library
1625 Library Lane
Minden, Nevada 89423

Elko County Library
720 Court Street
Elko, Nevada 89801

Goldfield Public Library
Fourth & Crook Street
Goldfield, Nevada 89013

Eureka Branch Library
10190 Monroe Street
Eureka, Nevada 89316

Humboldt County Library
85 East 5th Street
Winnemucca, Nevada 89445

Lincoln County Library
93 Main Street
Pioche, Nevada 89043
Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

Storey County Library
95 South R Street
Virginia City, Nevada 89440
Mineral County Library
First & A Street
Hawthorne, Nevada 89415

Tonopah Public Library
171 Central Street
Tonopah, Nevada 89049

Pershing County Library
1125 Central Avenue
Lovelock, Nevada 89419

Washoe County Library
301 South Center Street
Reno, Nevada 89505

White Pine County Library
950 Campton Street
Ely, Nevada 89301

Battle Mountain Library
625 Broad Street
Battle Mountain, Nevada 89820

Nevada Real Estate Division Web site:
<http://www.state.nv.us/b&i/red>